



Department of Justice

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Southern District of Ohio

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THREE FAIRFIELD COUNTY FAMILY MEMBERS INDICTED FOR MORTGAGE FRAUD

COLUMBUS – A federal grand jury here has indicted Scott M. Gaib, 38, his wife Erica S. Gaib, 37, both of Lancaster, and Wayne Gaib, 40, of Canal Winchester alleging that they conspired to fraudulently obtain almost \$1.3 million connected with the purchase or refinancing of eight properties in central Ohio. Wayne Gaib is the brother of Scott Gaib.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, and Jose Gonzalez, Special Agent in Charge, Internal Revenue Service Criminal Investigation (IRS), Cincinnati, announced the indictment returned yesterday.

The indictment alleges that between January 2005 and June 2007, the three conspired to defraud federally insured financial institutions by means of false and fraudulent pretenses. Specifically the indictment alleges that the three exaggerated the value of real estate properties in and around central Ohio and misrepresented their credit worthiness as prospective buyers to the lending institutions in order to convince the institutions to approve excessive mortgage loans secured by the inflated-value properties.

The indictment includes one count of conspiracy, punishable by up to five years imprisonment, eight counts of wire fraud, each punishable by up to 30 years imprisonment, and three counts of money laundering, each of which is punishable by up to ten years imprisonment.

The three will be summoned to appear before U.S. District Judge Gregory L. Frost, who is presiding over the case.

Stewart commended the IRS agents who conducted the investigation, as well as Assistant U.S. Attorneys Dan Brown and Laura Denton, who are prosecuting the case.

An indictment is merely an accusation. A defendant should be presumed innocent unless convicted in court.

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